

HOUSE No. 1016

The Commonwealth of Massachusetts

PRESENTED BY:

Bradley H. Jones, Jr.

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act establishing a commission to study maximum allowable costs lists.

PETITION OF:

NAME:	DISTRICT/ADDRESS:	DATE ADDED:
<i>Bradley H. Jones, Jr.</i>	<i>20th Middlesex</i>	<i>1/17/2019</i>
<i>Bradford Hill</i>	<i>4th Essex</i>	<i>1/24/2019</i>
<i>Elizabeth A. Poirier</i>	<i>14th Bristol</i>	<i>1/17/2019</i>
<i>Susan Williams Gifford</i>	<i>2nd Plymouth</i>	<i>1/17/2019</i>
<i>Paul K. Frost</i>	<i>7th Worcester</i>	<i>1/30/2019</i>
<i>Todd M. Smola</i>	<i>1st Hampden</i>	<i>1/31/2019</i>
<i>Randy Hunt</i>	<i>5th Barnstable</i>	<i>1/28/2019</i>
<i>Angelo L. D'Emilia</i>	<i>8th Plymouth</i>	<i>1/29/2019</i>
<i>Steven S. Howitt</i>	<i>4th Bristol</i>	<i>1/30/2019</i>
<i>Michael J. Soter</i>	<i>8th Worcester</i>	<i>1/31/2019</i>
<i>Hannah Kane</i>	<i>11th Worcester</i>	<i>2/1/2019</i>
<i>Bruce E. Tarr</i>	<i>First Essex and Middlesex</i>	<i>2/1/2019</i>

HOUSE No. 1016

By Mr. Jones of North Reading, a petition (accompanied by bill, House, No. 1016) of Bradley H. Jones, Jr., and others for an investigation by a special commission (including members of the General Court) relative to maximum allowable costs lists utilized by payers and pharmaceutical benefit managers to identify the maximum amount health plans will pay for certain prescription drugs. Financial Services.

The Commonwealth of Massachusetts

**In the One Hundred and Ninety-First General Court
(2019-2020)**

An Act establishing a commission to study maximum allowable costs lists.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. Notwithstanding any general or special law to the contrary, there shall be a
2 special commission established to investigate the use of maximum allowable costs lists, utilized
3 by payers and pharmaceutical benefit managers to identify the maximum amount that a plan will
4 pay for various prescription drugs. The commission’s review shall include, but not be limited to,
5 current practices surrounding the determination and use of maximum allowable costs lists and
6 their financial implications; industry-wide standardization for the development and use of
7 maximum allowable costs lists; and transparency into the processes of developing and utilizing
8 maximum allowable costs lists.

9 The commission shall consist of 10 members: the secretary of health and human services,
10 or a designee; the speaker of the house of representatives, or a designee; the senate president, or
11 a designee; the minority leader of the house of representatives, or a designee; the minority leader

12 of the senate, or a designee; a representative from the Massachusetts Association of Health
13 Plans; a representative from the Massachusetts Pharmacists Association; one person who shall be
14 an advocate for health care providers, to be appointed by the governor; one person who shall be
15 an advocate for pharmaceutical companies, to be appointed by the governor; and one person who
16 shall be an advocate for pharmaceutical benefit managers, to be appointed by the governor.

17 The commission shall submit its report and findings, along with any draft of legislation,
18 to the house and senate committees on ways and means, the joint committee on health care
19 financing, and the clerks of the house of representatives and the senate within 180 days of the
20 passage of this act.